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**THE SENATE
STATE OF MICHIGAN**

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INSURANCE, VICE CHAIR
BANKING AND FINANCE
ENERGY AND TECHNOLOGY

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House Financial Liability Committee

December 5, 2013

SB 442 and SB 443 Pontiac Schools Tax Assessment Timeline of Events

December 2012: MESSA files suit against the Pontiac School District for 12 months of non-payment.

January 18, 2013: Pontiac Schools does not defend itself in court, judgment for \$7.8 million dollars to be levied against the Pontiac School District tax base in one lump sum.

January-April 2013: Worked with Treasury to sell a Tax Anticipation Note to cover the amount of the judgment. Treasury refused to sell the note after a thorough review of Pontiac's finances.

June 4, 2013: Michigan Attorney General's office issues legal guidance to Oakland County Equalization that the judgment may be spread over a 10 year period.

June 13, 2013: MESSA files suit against the communities in the Pontiac School District tax base to receive the \$7.8 million in one lump sum.

June 21, 2013: Judge denies MESSA's request and the judgment will be assessed at .3701 mils per year for 10 years.

July 2013: MESSA is finally removed as the health insurer for Pontiac Schools. Pontiac Schools still owes MESSA **AT LEAST 6 months** of payments.

August 6, 2013: Gov. Snyder declares a financial emergency in Pontiac Schools.

September 3, 2013: Pontiac Education Association sues Pontiac School Board and Administration for wrongfully spending employees health care contributions.

October 15, 2013: School Board approves consultant under a consent agreement negotiated with Treasury.